



THE APPRAISAL FOUNDATION

*Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications*

APPRAISAL STANDARDS BOARD

TO: All Interested Parties

FROM: Gregory J. Accetta, Chair
Appraisal Standards Board

RE: Concept Paper on the Reporting Requirements of the *Uniform Standards of Professional Appraisal Practice*

DATE: July 15, 2006

The objective of this Concept Paper is to solicit comment on the reporting requirements of the *Uniform Standards of Professional Appraisal Practice* (USPAP).

All interested parties are encouraged to comment in writing to the Appraisal Standards Board (ASB) by September 15, 2006. Written comments on this Concept Paper can be submitted by mail, e-mail and facsimile.

Mail: Appraisal Standards Board
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

E-mail: comments@appraisalfoundation.org

Facsimile: (202) 347-7727

Public comments are also invited at the ASB public meeting on September 21, 2006, in Denver, Colorado.

If you have any questions regarding this Concept Paper, please contact The Appraisal Foundation at (202) 347-7722.

Appraisal Standards Board Concept Paper Reporting Requirements of USPAP

Issued: July 15, 2006

Comment Deadline: September 15, 2006

The 2006 USPAP, with its new SCOPE OF WORK RULE, became effective July 1, 2006. The work done by the Appraisal Standards Board (ASB) over the past three years was intended to simplify the structure of USPAP, and to make the flexibility of the development Standards clearer. An appraiser should not pursue a “one size fits all” solution to appraisal problems. Rather, in every assignment an appraiser should tailor a scope of work that is appropriate for the stated intended use.

As defined in USPAP, reporting is not an aspect of the scope of work. However, throughout the ASB’s recent examination of the role of scope of work in the development process, the ASB received comments and questions related to reporting. Based on the feedback received, it appears that some appraisers and users of appraisal services question whether or not the reporting Standards offer the same degree of flexibility as the development Standards. Issues raised include:

- Is there the proper number of reporting options (report types) for real and personal property appraisal assignments?
- Are the terms “state,” “summarize” and “describe” adequately addressed?
- Should Restricted Use Appraisal Reports (presently restricted to assignments where the client is the only intended user) be allowed for assignments with multiple intended users?
- There are two tests for evaluating the scope of work (the expectations of parties who are regularly intended users for similar assignments and what an appraiser’s peers’ actions would be in performing the same or a similar assignment). Should the tests for report content be similar?

The ASB is issuing this Concept Paper as a first step in evaluating the reporting requirements in USPAP. We are asking appraisers, users of appraisal services, and other interested parties to consider and respond to the following questions:

1. Do the current reporting requirements in USPAP provide sufficient flexibility to meet existing needs while still preserving public trust?
2. Does USPAP currently provide a clear way to measure the adequacy of report content?
3. Are there any specific reporting-related edits to USPAP that you would recommend?
4. Given the recent changes related to scope of work, is now the time to consider changing anything related to reporting?

The ASB’s future course of action, **if any**, on this matter will depend heavily on the responses received.

Interested parties are invited to submit written comments on this Concept Paper by September 15, 2006. Public comments are also invited at the ASB public meeting on September 21, 2006, in Denver, Colorado.